



[4830-01-p]

DEPARTMENT OF THE TREASURY

Internal Revenue Service

26 CFR Part 1

[TD 9722]

RIN 1545-BM35

Partnership Transactions Involving Equity Interests of a Partner; Correction

AGENCY: Internal Revenue Service (IRS), Treasury.

ACTION: Final and temporary regulations; correction.

SUMMARY: This document contains corrections to final and temporary regulations (TD 9722) that were published in the **Federal Register** on June 12, 2015 (80 FR 33402). The final and temporary regulations prevent a corporate partner from avoiding corporate-level gain through transactions with a partnership involving equity interests of the partner.

DATES: This correction is effective on **July 2, 2015** and applicable beginning June 12, 2015.

FOR FURTHER INFORMATION CONTACT: Kevin I. Babitz at (202) 317-6852 (not a toll free number).

SUPPLEMENTARY INFORMATION:

Background

The final and temporary regulations (TD 9722) that are the subject of this correction are under sections 311(b), 336(a), and 337(d) of the Internal Revenue Code.

Need for Correction

As published, the final and temporary regulations (TD 9722) contain errors that may prove to be misleading and are in need of clarification.

Correction of Publication

Accordingly, the final regulations (TD 9722), that are the subject of FR Doc. 2015-14405, are corrected as follows:

1. On page 33404, in the preamble, the first column, the tenth and eleventh lines from the top of the column, the language “that controls (within the meaning of section 304(c)) the Corporate Partner.” is corrected to read “that controls the Corporate Partner within the meaning of section 304(c), except that section 318(a)(1) and (3) shall not apply (section 304(c) control).”.

2. On page 33404, in the preamble, the first column, the eighteenth through the twentieth line from the top of the first full paragraph, the language “that controls the Corporate Partner within the meaning of section 304(c) (section 304(c) control), whereas the” is corrected to read “that possesses section 304(c) control of the Corporate Partner, whereas the”.

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